

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
CELSIUS NETWORK LLC, <i>et al.</i> , ¹)	
)	Case No. 22-10964 (MG)
)	
Debtors.)	(Jointly Administered)
)	

**SUPPLEMENTAL DECLARATION OF JOEL COHEN
IN SUPPORT OF DEBTORS' APPLICATION FOR ENTRY
OF AN ORDER (I) AUTHORIZING THE RETENTION AND
EMPLOYMENT OF STOUT RISIUS ROSS, LLC AS VALUATION ADVISOR,
EFFECTIVE AS OF FEBRUARY 21, 2023, AND (II) GRANTING RELATED RELIEF**

I, Joel Cohen, hereby declare that the following statements are true and correct to the best of my knowledge, information, and belief:

1. I am a Managing Director in the Disputes, Compliance, & Investigations group and New York Office Leader of Stout Risius Ross, LLC ("Stout"). Unless otherwise stated in this declaration, I have personal knowledge of the facts set forth herein.

2. I submit this supplemental declaration (this "Supplemental Declaration") in support of the *Debtors' Application for Entry of an Order (I) Authorizing the Retention and Employment of Stout Risius Ross, LLC as Valuation Advisor, Effective as of February 21, 2023, and (II) Granting Related Relief* [Docket No. 2335] (the "Application").² To the extent that any information disclosed herein requires further supplementation, amendment, or modification upon

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application.

Stout's completion of further analysis or as additional information becomes available to it, another supplemental declaration will be filed with the Court.

3. I submit this Supplemental Declaration to provide the Court and parties in interest with additional information regarding (1) Stout's scope of work for the Debtors, (2) the Engagement Letter executed by the Debtors and Stout, and (3) Stout's conflicts review process.

4. **First**, with respect to Stout's scope of work, as explained in the Application, the Debtors have selected Stout to (a) assist in the determination of the Fair Value of the Debtors' reorganization value upon emergence, including calculation of a Net Asset Value ("NAV") of certain of the Debtors' assets, and (b) prepare a preliminary valuation as of a current date, which will be updated as of the emergence date. The assets that Stout is valuing include the Debtors' illiquid crypto, their investment portfolio, retail loans, and associated contingent liabilities. In the process, Stout is performing the following tasks:

- analysis of agreements for staking and market data;
- research on crypto exchange marketplaces and staked ETH data;
- analysis of historical crypto price data, transactional volume, and market depth;
- analysis of loans and alternative investments;
- creation of ranking of crypto marketplaces;
- development of average pricing based fair market valuation methodology; and
- application of pricing models to staked cryptocurrency.

5. Ultimately, Stout's valuation efforts are intended to support the disclosure statement projections of creditor recoveries in accordance with the Debtors' plan of reorganization (the "Plan"), as well as the initial balance sheet of the NewCo contemplated by the Plan and the initial NAV following confirmation of the Plan.

6. **Second**, to date, Stout has incurred fees greater than the \$20,000 minimum payment amount set forth in the Engagement Letter.

7. *Finally*, after the Application was filed, the Debtors provided Stout with a supplemental list of Parties in Interest (the “Supplemental Parties in Interest”), which is included on Schedule 1 attached hereto. Based on the conflicts assessment conducted by Stout, and to the best of my current knowledge, Stout has no connection to any of the Supplemental Parties in Interest.

8. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: April 14, 2023
New York, New York

Respectfully submitted,

/s/ Joel Cohen

Name: Joel Cohen

Title: Managing Director

Schedule 1

Supplemental Parties in Interest

Philip Bentley

Julia Bonnell

Jennifer Pollan